



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	9226		
Country/Region:	China		
Project Title:	Integrated Adoption of New Energy Vehicles in China		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CCM-2 Program 3;		
Anticipated Financing PPG:	\$200,000	Project Grant:	\$8,930,000
Co-financing:	\$117,000,000	Total Project Cost:	\$125,930,000
PIF Approval:		Council Approval/Expected:	October 01, 2015
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Xiaomei Tan	Agency Contact Person:	Bettina Schreck

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	<p>XT, 5 August: Yes.</p> <p>The project is in line with CCM-2 Program -3: Promote low-emission urban system.</p>	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	<p>XT, 5 August 2015: Yes.</p> <p>The project will support China's 12th FYP, which targets an increase in non-fossil energy's share in China's energy mix. More specifically, it directly contributes to China's</p>	

¹ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
		"Energy Saving and New Energy Vehicles Industry Development Plan."	
Project Design	3. Does the PIF sufficiently indicate the drivers ² of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	XT, 5 August 2015: Yes. The PIF clearly identify the linkages between climate change and increasing emissions from the transport sector.	
	4. Is the project designed with sound incremental reasoning?	XT, 5 August 2015: Yes.	
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	XT, 5 August 2015: Please organize the section of components 1-5 (page 12-14) in the order of outputs 1.1-5.3 as listed in table B's Project Outputs column. Component 1: 1) Please briefly describe the status of guideline and standards development for new energy vehicles in China. According to MIIT, Chinese standards on AC charging are almost comparable to international standards, but the standards on DC charging are still lagging behind, particularly related to charging interface physical structure, charge control pilot circuit and communication controllers. The project should promote adoption of international standards as much as	

² Need not apply to LDCF/SCCF projects.

PIF Review

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		<p>possible to help promote replicability and leadership in this fast-changing field. Private sector partners, such as EV, battery, and charging technology companies, should be actively engaged in the standards development process.</p> <p>2) Regarding the "Joint Standard Research Committee," please explain who will join MIIT in leading the Committee, and if it will overlap with the functions of the "Electric Vehicle National Engineering Lab", jointly established by MIIT and Ministry of Science and Technology in 2010. If not, please briefly describe your strategy of leveraging synergies with the Lab.</p> <p>3) Regarding the incentive mechanisms study, please justify the needs for GEF investment. There are already many reports related to incentive mechanisms, both internationally and domestically. In the case of China, the World Bank published a report, The China New Energy Vehicles Program: Challenges and Opportunities in 2011. Boston Consulting Group recently also published a report on how China can better incentivize the deployment of EVs. Without improved justification, the resources for the study should be re-allocated to another activity within</p>	

PIF Review

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		<p>the project. For example, studying various cost-effective business models for rapid scale up of EVs in China.</p> <p>Component 2: 1) Please briefly describe your strategy of identifying these 100 policy makers. Will they be mainly from different ministries or from 88 pilot cities? 2) In addition to the Clean Energy Ministerial and US-China EV bilateral cooperation, the proposed project can further raise its visibility at the Urban Electric Mobility Initiative (UEMI), announced at the NY Climate Summit last year. UEMI will have a big announcement at COP21 in Paris, and this should be a showcase opportunity for the project. Further, the EU Mobility Week every year also features EV development in developing countries. Please include these coordination elements in the project.</p> <p>Component 3: 1) Please confirm that the demonstration includes 1000 charging devices and 1000 EVs. 2) The description of outputs 3.1-3.4 on page 13-14 is not consistent with table B. For example, table B list</p>	

PIF Review

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		<p>"dedicated mini grid of 450KW of wind generation" but there is no description of this output in Component 3. Again, please organize the description in the order of output 3.1-3.4.</p> <p>3) Given the substantial difference between the peak and off-peak loads (40-45%) in Shanghai, will the project consider demonstrating Vehicle to Grid (V2G) technology in Shanghai as well?</p> <p>4) Existing charging locations in Jiading are mostly uncovered. When it rains, the charging experience can be bad. Therefore, improving existing charging facility's user-friendliness is important. In your scaling up strategy, please take this factor into consideration.</p> <p>Component 4:</p> <p>1) In your awareness raising strategy, please consider educating on the environmental and economic benefits of V2G and enhancing the product market.</p> <p>2) Is the NEV-RE demonstration center a permanent establishment that goes beyond the life expectancy of this project? Does GEF grant also cover the cost of personnel? It would be more appropriate for co-financing to cover personnel costs.</p>	

PIF Review

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		<p>3) There should be more emphasis on working with private sector partners to develop sustainable business models for EVs.</p> <p>XT, August 28, 2015: On component 3 comment 2; and component 4, comment 3, the response is sufficient at this stage. Please do further investigate these issues during the PPG stage. All other comments are well addressed.</p>	
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	XT, 5 August 2015: Yes.	
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• The STAR allocation?	XT, 5 August 2015: Yes.	
	• The focal area allocation?	XT, 5 August 2015: Yes.	
	• The LDCF under the principle of equitable access	XT, 5 August 2015: N/A	
	• The SCCF (Adaptation or Technology Transfer)?	XT, 5 August 2015: N/A	
	• Focal area set-aside?	XT, 5 August 2015: N/A	
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	<p>XT, 5 August 2015: Not at this time. Please address comments in Box 5.</p> <p>XT, 28 August 2015: The program manager recommends CEO PIF clearance.</p>	

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Review Criteria	Questions	Secretariat Comment	Agency Response
Review Date	Review	August 05, 2015	
	Additional Review (as necessary)		
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CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)		

CEO endorsement Review

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	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	• GEFSEC		
	• STAP		
	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.

CEO endorsement Review

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	Additional Review (as necessary)		